

ABSTRACT

This research examined the influence of current ratio, debt to equity ratio, inventory turnover, return on equity, net profit margin and dividend payout ratio on price earnings ratio (PER) between syariah stock and non syariah stock of non financial companies in the Jakarta Stock Exchange (JSX).

Sampling method used purposive random sampling with category of companies whose always shows complete financial reports on 2003 until 2005. The number of samples acquired by those categories was 33 company stocks of non syariah stock in Jakarta Stock Exchange(JSX) and 10 company stocks of syariah stocks in Jakarta Islamic Index(JII). The data was analyzed using Regression model & Chow Test.

The results of this study show that three of six independent variables : dividend payout ratio, debt to equity ratio and return on equity had significant influence on price earnings ratio. Current ratio, inventory turn over, and net profit margin had a negative influence but not significant. Return on equity also had negative influence but significant. Chow test were used to invertage the differences of factors that influenced price earning ratio between syariah stocks and non syariah stocks. The results showed that there were different factors that influenced price earnings ratio between syariah stocks and non syariah stock. The explanations power of the equation was only 24,5%, and other changes, are explained by factors which are beyond of these variables.

Keywords: price earnings ratio, current ratio, debt to equity ratio, inventory turnover, return on equity, net profit margin and dividend payout ratio.